

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “**MOU**”) is made by and between the Clinton Climate Initiative (“**CCI**”), a program of the William J. Clinton Foundation (the “**Foundation**”), located at 383 Dorchester Ave., Suite 400, Boston, MA 02127, and The City of Stockholm through its Executive Board (“**CoS**”), located at Stockholm City Hall, Stockholm, Sweden. CCI and CoS are herein collectively referred herein at times as the “**Parties.**”

BACKGROUND

CCI strives to make a measurable difference in the fight against climate change in practical, measureable, and significant ways. CCI serves as the exclusive implementing partner of the C40 Large Cities Climate Leadership Group (C40), an association of large cities around the world that have pledged to accelerate their efforts to reduce greenhouse gas emissions (“**GHG Emissions**”). In this capacity, CCI works with members of the C40, as well as other public and private partners, to develop and implement large scale projects to improve energy efficiency and directly reduce greenhouse gas emissions in buildings, waste management, transportation, outdoor lighting, ports, and other areas.

CCI has partnered with the U.S. Green Building Council (“**USGBC**”) to realize the goals of expanding sustainable business practices. USGBC is the developer of the LEED® Green Building Rating System™ and is committed to expanding sustainable business practices. USGBC is composed of more than 15,000 organizations from across the building industry, which are working to advance structures that are environmentally responsible, profitable, and healthy places to live and work.

Stockholm is the first European Green Capital. The Swedish capital was awarded the title for 2010 at a ceremony in Brussels. Stockholm is growing and faces the challenge posed by both retaining and developing its unique character. The City must be sustainable and an attractive place for people to live and work. The City of Stockholm is the central municipality in the Stockholm metropolitan region, and with a population of 810,000 it is the largest in the country.

Stockholm has long had the reputation of being one of the cleanest capital cities in the world, and considering that it is possible to go for a swim in the waters of the inner city - there might be some truth to it. But beneath the beautiful surface lie hidden many of the environmental threats that every large city in the world faces.

Stockholm’s Royal Seaport, the city’s largest district is to be developed in central Stockholm over the coming years. It will stretch from Hjorthagen in the north, through the harbour area in the east, to Loudden in the south, comprising 10,000 new residences and 30,000 new workspaces. Planning started in the early 2000s and the new city district will be fully developed around 2025.

Pursuant to an agreement between CCI and USGBC, CCI has agreed to engage local real estate developers to, among other things, achieve the goal of creating a global program seeking

to significantly reduce the impact of new real estate developments on global climate change. The intent of this Climate Positive Development Program (the “**Program**”) is to catalyze model, large scale building projects that demonstrate how new urban real estate developments around the world can reduce their net greenhouse gas emissions below zero (“**Emissions Goals**”) and contribute towards the restoration of natural systems (“**Ecological Goals**”). Though several environment standards for the built environment currently exist, the Program’s effort is unique in the size of real estate development it is addressing, the holistic approach to project scope it is taking, and the aggressiveness of the Emissions Goals and Ecological Goals (collectively, “**Climate Positive Goals**”) it is pursuing. The Program will include the development of a standard metric and measurement protocol for quantifying GHG Emissions at the community scale (“**GHG Emissions Protocol**”). The Program will also develop and define additional protocols and best practices (collectively, including GHG Emissions Protocol, “**Climate Positive Metrics**”).

Real estate developers and cities (“**Developers**”) who join the Program will commit to meet the Climate Positive Goals in at least one real estate development (“**Project**”) in their portfolio (“**Climate Positive Development**”).

In its initial stage the Program will integrate and deploy CCI’s full range of programs into a focused partnership with a select number of noteworthy projects (“**First Stage Developments**”). In Year 1 the Program expects commitments from Developers for 12-15 projects globally to become First Stage Developments, each selected by CCI for the developer’s commitment to leading-edge innovation at scale and working on an accelerated timeframe. CCI desires to engage CoS and its Royal Seaport project to be a First Stage Development in the Program.

CoS commits to establish Royal Seaport as a model Climate Positive Development and to participate in the development of Climate Positive Metrics (“**Standard Metrics Development Process**”) in cooperation with CCI, USGBC, and other First Stage Developments.

1. Goal Commitment. The parties agree to make use of their respective resources and to work with urgency to achieve the goal (“**Goal Commitment**”) of reducing Royal Seaport’s GHG Emissions below zero through the implementation of economically viable innovations in a combination of clean energy generation, integrated waste management, energy efficient lighting strategies, integrated water management, green and efficient buildings, transit oriented design, and other strategies. GHG Emissions Protocols will be mutually agreed upon by CCI and participating Developers through a global Standard Metrics Development Process as a part of the Program.

Specific strategies which may be pursued to meet the GHG Emissions Protocol and other Climate Positive Metrics may include but are not be limited to:

- High performance green buildings.
- High efficiency power and water distribution systems.

- Utilization of clean energy produced either onsite or offsite for 100+% of total energy requirements of the development. Examples of clean energy production would include solar, wind, waste to energy, and biomass.
- Implementation of combined heat and power or heat and cooling.
- Geothermal or ground source heat systems
- Integrated waste management, including recycling and recapture of organic waste/
- Greywater systems.
- Onsite stormwater management.
- Energy efficient street lighting, such as LEDs.
- Transit-oriented development.

2. **Partner Commitments.** CoS intends to undertake the following:

a. ***Co-Development of a Collaborative Workplan*** – CoS will engage in a collaborative process with CCI that will result in a mutually agreed-upon written workplan (“**Workplan**”) specifically outlining the measures CCI and CoS will take in support of Royal Seaport achieving the Climate Positive Goals. Upon its completion, the Workplan will be incorporated into this MOU by being attached as an Exhibit.

b. Modes of Collaboration– The collaborative workplan may include or reflect but is not limited to:

- i. Evaluating the current design of Royal Seaport in order to achieve the Climate Positive Goals.
- ii. Identifying and assigning points of contact in Stockholm’s organization to coordinate the completion of deliverables mutually agreed to by the Parties.
- iii. Performing technical and economic due diligence on technologies, systems, and best practices potentially relevant for the project onsite, in consultation and/or cooperation with CCI, and/or third parties.
- iv. Performing technical and economic due diligence on technologies, systems, and best practices potentially relevant for the offsite project components, as called for, in consultation and/or cooperation with CCI and/or third parties.
- v. Proactively engaging other stakeholders in the project to create an integrated solution.

- c. ***Share Relevant Data*** – For the purposes of the collaborative efforts described in this Section 2, CoS will make available to CCI data relevant to the project.
- d. ***Participation in the Program’s Standard Metrics Development Process*** – CoS agrees to participate in the development of the GHG Emissions Protocol and other Climate Positive Metrics. The Climate Positive Metrics which will be created to quantify “Climate Positive Development” as an achievement and will be collaboratively developed and mutually agreed upon among CCI and participating First Stage Developments.
- e. ***Adoption of the Program’s Climate Positive Metrics*** – CoS agrees to adopt and implement the GHG Emissions Protocol and other Climate Positive Metrics once developed.
- f. ***Sharing of Best Practices*** - Leveraging best practices from other First Stage Developments and third party expertise, and sharing these best practices across participating projects.
- g. ***Gala Celebration*** – Stockholm commits to hosting a Gala Celebration at City Hall to recognize the accomplishments of the Climate Positive Development Program participants.

3. **CCI Commitments.** In accordance with the MOU, and in cooperation with USGBC, CCI will support the Goal Commitment by:

- a. ***Co-Development of a Collaborative Workplan*** - CCI will engage in a collaborative process with CoS that will result in a Collaborative Workplan as set forth in Section 2.
- b. ***Convening and Catalyzing Public Sector Support*** - Convening and catalyzing political will among governmental and nongovernmental organizations relevant to Royal Seaport’s achievement of Climate Positive Goals. Specific support may include removing barriers to strategies that help achieve Climate Positive Goals, providing technical support to policy makers, and forging active local partnerships.
- c. ***Standards Development*** - Coordinating and developing the Climate Positive Metrics for the Program.
- d. ***Formation of Advisory Council*** – The Program will coordinate and manage the formation and functions of an Advisory Council of international experts versed in different elements of real estate development whose functions may include providing guidance, best practices, and high level technical assistance to First

Stage Developments as well as program wide assistance in standards development.

- e. ***Project Management*** – Working closely with CoS in support of CoS’s commitments as set out in Section 2 of this MOU.
- f. ***Internal Technical Assistance*** - Providing technical assistance to Royal Seaport through internal CCI experts as appropriate.
- g. ***External third party technical assistance*** - Aiding in sourcing and managing technical assistance to Royal Seaport from external resources.
- h. ***Best practice dissemination*** – Identifying, creating, and facilitating dissemination of best practices and case studies across first stage developments.
- i. ***Announcement and Media Outreach*** –Announcing and publicizing the collaboration and support of Royal Seaport as a part of the global launch of the Climate Positive Development Program at the C40 Summit in May 2009. Leverage current and future Foundation media resources and spokespeople, as appropriate, to raise awareness about the work undertaken in connection with the Program and this MOU and the positive role of large scale urban developments in combating climate change.
- j. ***Data Collection Coordination*** – Coordinate evaluation and data collection efforts among Participating Developers in order to report aggregate Climate Positive Development Program results.

4. **Term/Termination.** The term of this MOU shall commence upon the date hereof and shall continue for an initial term of two (2) years and may be renewed for additional terms upon the joint written agreement of the parties, provided, however, that: (i) termination shall not discharge any obligations of either party under Sections 8,10, 11 and 12 of this MOU; (ii) either party may terminate this MOU if the other party fails to perform its obligations hereunder and such failure to perform is not cured within thirty (30) days following written notice from the complaining party of such failure to perform; and (iii) the Foundation may terminate this MOU upon not less than ninety (90) calendar days prior written notice to CoS should the Foundation discontinue its work or make other significant programming changes requiring the termination of this Agreement, and (iv) CoS may terminate this agreement upon not less than ninety (90) calendar days prior written notice to the Foundation. .

5. **Press/Marketing.** Any public announcements through press releases, media advisories or other similar means regarding this MOU or the work of the parties

hereunder as part of the Climate Positive Development project shall require the prior written approval of the parties hereto prior to such announcements.

6. **Other Efforts**. The parties to this MOU may from time to time choose to engage in additional efforts to enhance or support the work contemplated by this MOU. Such additional efforts shall be separately agreed upon, in writing, by the parties and will be made a part of this MOU by being attached as an addendum and/or amendment to this MOU.
7. **Intellectual Property**. The Parties acknowledges the William J. Clinton Foundation's ownership of the its name and logos, including images of President Clinton, in any format (the "**Foundation Marks**"). This MOU shall not be construed to grant CoS any license to use the Foundation Marks except in reference to the parties' work as set forth in this MOU, and in such form and manner as may be approved with the prior written consent of the Foundation. Any and all requests for use of the Foundation Marks, expressly including images or quotes of President Clinton, shall be submitted to the Foundation and will require the written approval prior to any such use.
8. **Confidentiality**.
 - a. During the course of this MOU, the parties may make available to each other certain Confidential Information (as hereinafter defined) or one party may otherwise learn of Confidential Information belonging to the other party. For purposes of this Section 8, "**Confidential Information**" means any and all confidential or proprietary information regarding a party or its business, including, without limitation, all products, patents, trademarks, copyrights, trade secrets, processes, techniques, scientific information, computer programs, databases, software, services, research, development, inventions, financial, purchasing, accounting, marketing, fundraising and other information, whenever conceived, originated, discovered or developed, concerning any aspect of its business, whether or not in written or tangible form; provided, however, that the term "Confidential Information" shall not include information (i) which is or becomes generally available to the public on a non-confidential basis, including from a third party provided that such third party is not in breach of an obligation of confidentiality with respect to such information, (ii) which was independently developed by a party not otherwise in violation or breach of this MOU or any other obligation of one party to the other, or (iii) which was rightfully known to a party prior to entering into this MOU.
 - b. Except for operational decision making as required for the Royal Seaport Development in accordance with CoS policy and as otherwise provided herein: (i) the parties shall hold in strictest confidence any of the other party's Confidential Information; (ii) the parties shall restrict access to the Confidential Information to those of their personnel with a need to know and

engaged in a permitted use of the Confidential Information; (iii) the parties shall not distribute, disclose or convey Confidential Information to any third party; (iv) the parties shall not copy or reproduce any Confidential Information except as reasonably necessary to perform any obligations hereunder; and (v) the parties shall not make use of any Confidential Information for its own benefit or for the benefit of any third party. The foregoing to the contrary notwithstanding, the parties shall not be in violation of this subsection in the event that a party is legally compelled to disclose any of the Confidential Information, provided that in any such event the disclosing party will provide the other party with reasonably prompt written notice prior to any such disclosure so that the non-disclosing party may obtain a protective order or other confidential treatment for the Confidential Information, and in the event that a protective order or other remedy is not obtained by the non-disclosing party, the disclosing party will furnish only that portion of the Confidential Information which is legally required to be furnished.

c. The parties agree that the Foundation may publish and disclose CoS's otherwise Confidential Information in the form of aggregated data disclosed to Foundation. Foundation agrees to take reasonable measures to ensure that aggregated data do not inadvertently disclose CoS's individually-identifiable data.

9. **Swedish Law.** The obligations set out in Sections 2.c, 5 and 8 will only be applicable to CoS as long as they are not in conflict with Swedish law.
10. **Indemnification.** The Parties enter this MOU with the best of intentions. Each party agrees to defend, indemnify and hold harmless the other from and against and to reimburse it for any and all claims, obligations and damages, any and all taxes and any and all liabilities directly or indirectly arising out of or in connection with any breach of this MOU or resulting or arising out of the activities of a party in connection with the work undertaken by it hereunder.
11. **Severability.** If, for any reason, any part of this MOU is held to be invalid, that ruling shall not impair the operation of such other parts of this MOU as may remain otherwise intelligible.
12. **Waiver.** Any waiver granted by a party hereto shall be without prejudice to any other rights such party may have, will be subject to such party's continuing review and may be revoked, in such party's sole discretion, at any time and for any reason. No party shall be deemed to have waived any right, power or option reserved by this MOU by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of the parties to exercise any right under this MOU or to insist upon exact compliance by the other with its obligations hereunder.

13. **No Assignment.** This MOU may not be transferred or assigned to any other party without the express written permission of the other parties hereto.
14. **Counterparts and Facsimiles.** The parties may execute this MOU in counterparts, each of which is deemed an original, but all of which together constitute one and the same agreement. This MOU may be delivered by facsimile transmission, and facsimile copies of executed signature pages shall be binding as originals.

[Signatures follow]

Acknowledged and agreed to this ____ day of _____, 2009.

City of Stockholm

The William J. Clinton Foundation

By: _____

By: _____

Name:

Name:

Title:

Title:

City of Stockholm

Clinton Climate Initiative